

# Ticket To Work

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Pro Forma Sample

# Outcome Based Payment

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- Pure outcome 40% for 60 months

# Milestone/Outcome

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- Milestone 1 (1mo. >SGA) 34%
- Milestone 2 (3 of 12 mo.>SGA) 68%
- Milestone 3 (7 of 12 mo.>SGA) 136%
- Milestone 4 (12 of 15. >SGA) 170%
- Outcome 34% of PCB for 60 months
- SSDI PCB \$791 SSI \$476

# Questions Addressed

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- Can this be profitable?
- How much up front capital is required?
- How long until I get my investment back?
- What type of outcomes can I expect?
- SSDI vs. SSI Pro Forma?

# Required Information

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- Reasonable case flow data
- Outcomes overtime
- Costs overtime
- Revenue over time



# Sources for Data

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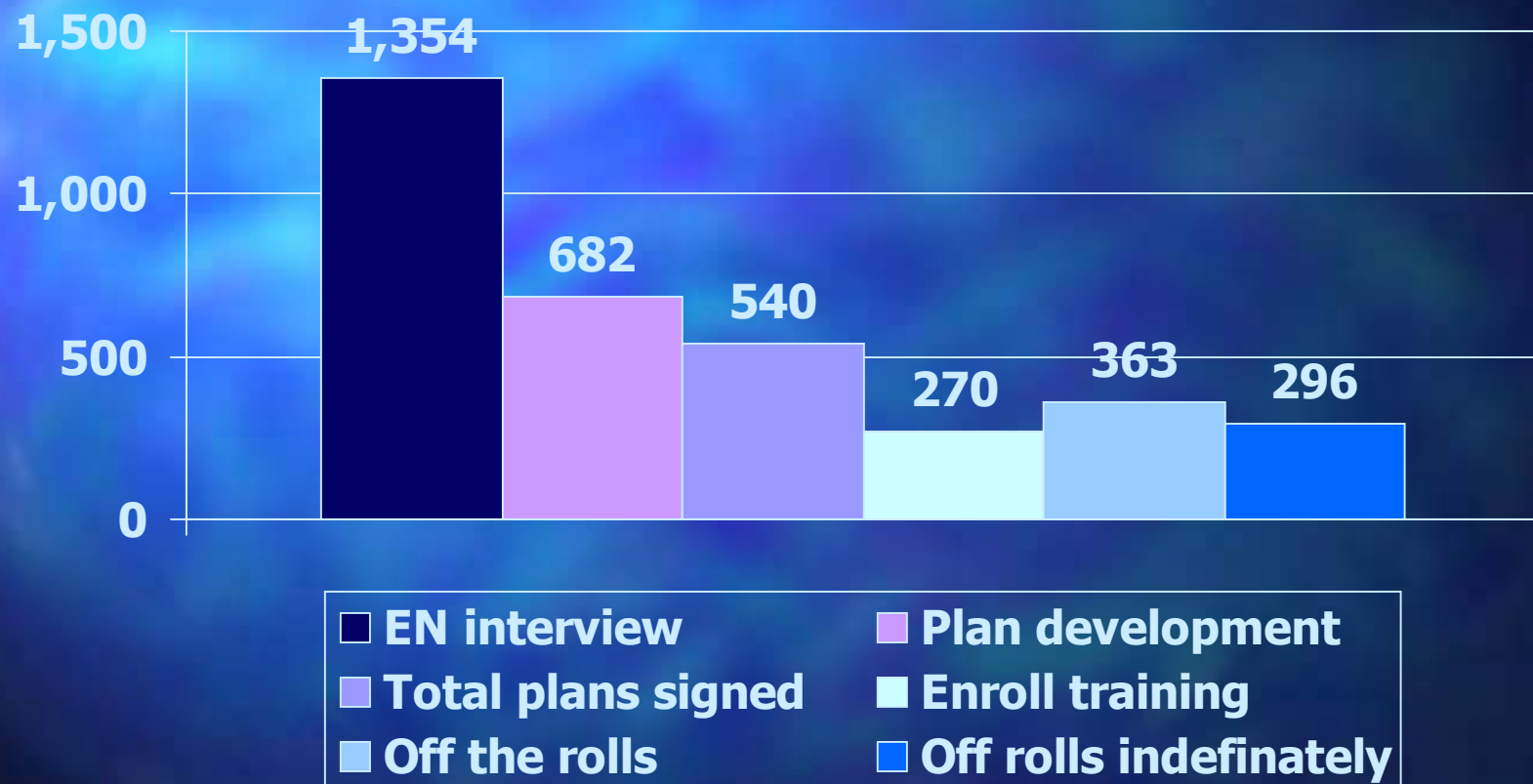
- RDP
- Project Network (private)
- PWI SLS (25 yrs.)& National
- Staff 100 yrs exp.
- Susan Webb
- VR

# Probable Outcomes Over 10 Years

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- Outreach and Prospecting 6,500
- EN Interview 21%
- Plan Development 50%
- Signed Plans 80%
- Enroll Placement 50%
- Enroll Training 50%
- Off Rolls 67%

# Loading Over 10 Years



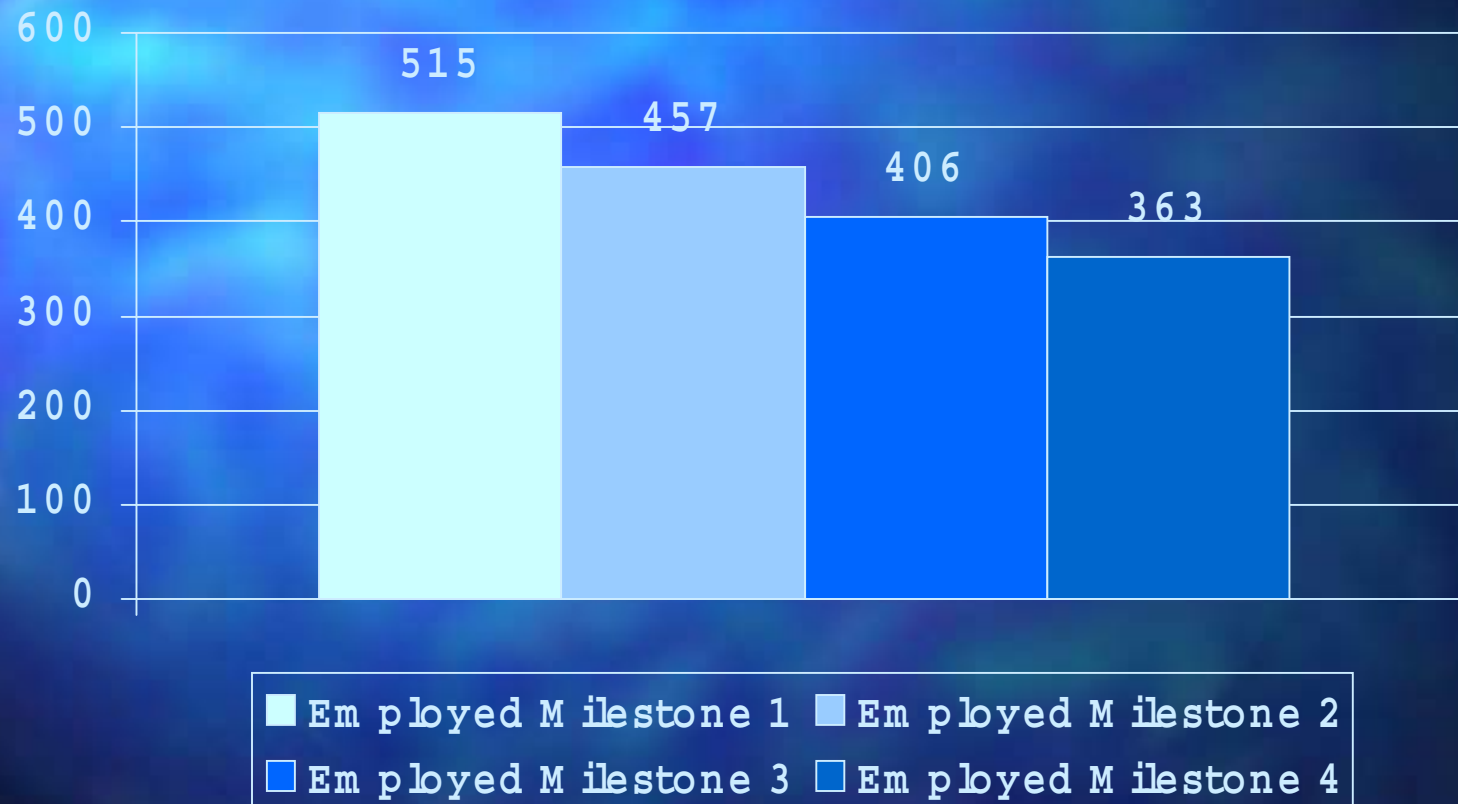


# Off Rolls Ratios

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■ Outreach	4.5%	1 out of 20
■ Interviewed	21%	1 out of 5
■ Plan	43%	1 out 2.3

# Milestone Loading Over 10 Years



# SSDI Participant Service Hours

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	Low	Medium	High
Outreach	.25	.25	.25
EN Interview	1.5	1.5	1.5
Plan Devel	2	3	4
Placement	7	10	13
Monitoring	12	14	20

# SSDI Provider Costs

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- Provider Cost/Hour \$42
- Training Cost/Case - 30 days \$600
- Training Cost/Case - Extended \$1,000
- FTE First Year - 2.4
- FTE Subsequent Years - 2.1

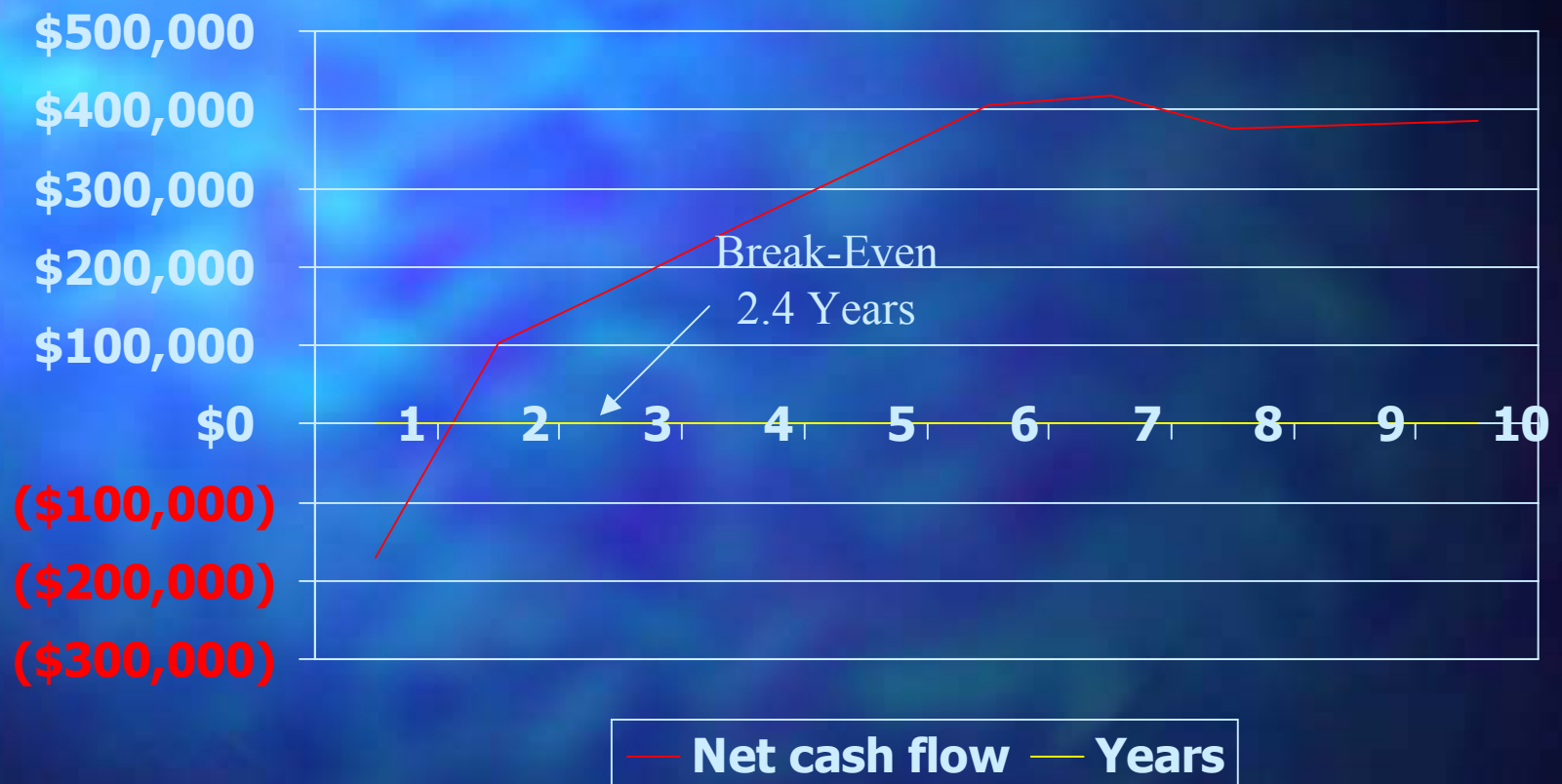
# SSDI Financial Results Over 10 Years

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- First Year Operating Deficit \$171,000
- Program Revenue \$4,700,000
- Program Expense \$2,045,000
- Net Cash Flow \$2,655,000
- IRR 100%
- Annual ROI 155%
- Break-Even - 2.4 Years



# SSDI Net Cash Flow



# SSI Participant Service Hours

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	Low	Medium	High
Outreach	.25	.25	.25
EN Interview	1.5	1.5	<u>1.5</u>
Plan Devel	2	3	<u>3</u>
Placement	7	10	<u>10</u>
Monitoring	12	<u>20</u>	20

# SSI Provider Costs

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- Provider Cost/Hour \$42
- Training Cost/Case - 30 days \$600
- Training Cost/Case - Extended \$1,000
- FTE First Year - 2
- FTE Subsequent Years - 2.4

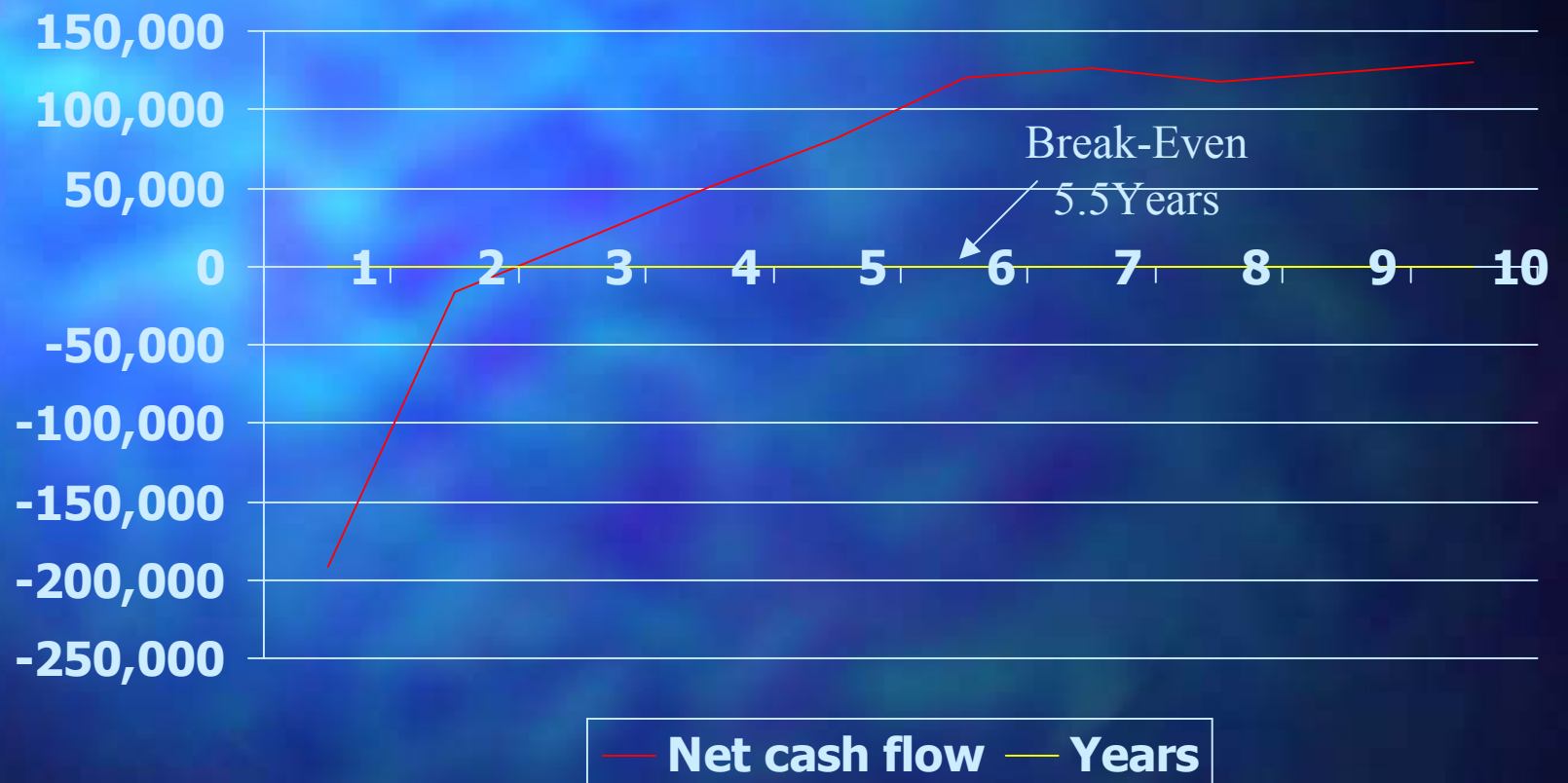
# SSI Financial Results Over 10 Years

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- First Year Operating Deficit \$191,000
- Program Revenue \$2,830,400
- Program Expense \$2,270,000
- Net Cash Flow \$560,300
- IRR 25%
- Annual ROI 29%
- Break-Even - 5.5 Years



# SSI Net Cash Flow





# Restraining Forces

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- Fear it's new
- People Helpers not Entrepreneurs
- Lack of Trust, SSA-doesn't understand or trust (AP) red tape, Rules, receivables
- Perception of Competition with VR in some states
- Cash and Courage

# Conclusions

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- Milestone outcome payment system can be quite profitable esp. with SSDI.
- Front end cash requirements can be mitigated with a strategic ramp up.
- SSI can also be profitable but more risky, partnering every helpful. One stop. VR, DDD, County etc.
- Concurrent or sequential funding for SSI.
- Small provider can successfully participate.